## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF )		
INFORMATION FILED WITH SOUTH CENTRAL )		
BELL TELEPHONE COMPANY'S PROPOSED )	CASE NO	92-174
TARIFF FOR WATSSAVER PLAN AND		
RESTRUCTURE OF EXISTING WATS AND 800		
SERVICE		

## ORDER

This matter arising on petition of BellSouth Telecommunications, Inc., d/b/a South Central Bell Telephone Company ("South Central Bell") filed September 1, 1993 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the sales volumes, total operating revenue, total embedded direct cost, and total incremental cost for WATS and WatsSaver® Services on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury and it appearing to this Commission as follows:

South Central Bell has filed a proposed tariff to introduce an outward intraLATA toll optional calling plan called WatsSaver and to restructure the existing WATS and 800 Service rate schedule and billing procedures. In support of its proposed tariff, South Central Bell has filed a report listing the actual sales volume, billing procedures, and the actual embedded and incremental costs associated with each service and revenues for the first 12 months of operation for WATS and WatsSaver. By this petition, South Central Bell seeks to protect this information as confidential.

The information sought to be protected is not known outside of South Central Bell and is disseminated within South Central Bell to only those employees with legitimate business need to know and act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

South Central Bell's competitors for the service included in this proposal are interexchange carriers, all of whom have products which compete with South Central Bell's service for small, medium, and large business toll service. Competitors could use this information to define the segmentation of the toll market and obtain information relative to business usage. Knowledge of this information would assist competitors in developing marketing strategies for their product. In addition, cost information could be used by South Central Bell's competitors to determine the rate below which South Central Bell could not provide these services. Therefore, disclosure of this information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the sales volume, total operating revenue, total embedded direct cost, total incremental cost for WATS and WatsSaver®, which South Central Bell had petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 14th day of October, 1993.

PUBLIC SERVICE COMMISSION

Chairman

Commissioner

ATTEST:

Executive Director